

ASSEMBLY BILL

No. 246

Introduced by Assembly Member Price

February 10, 2009

An act to add Section 19597.5 to the Business and Professions Code, relating to horse racing.

LEGISLATIVE COUNSEL'S DIGEST

AB 246, as introduced, Price. Horse racing: deductions and distributions: trust funds.

Existing law, the Horse Racing Law, generally regulates horse racing and parimutuel wagering on horse races. Existing law requires various deductions and distributions to be made from parimutuel pools as specified.

This bill would require a person licensed to conduct a horse racing meeting to hold in trust the distributions required to be made pursuant to the Horse Racing Law until the funds are paid to the various distributees. The bill would provide that these required deductions, except for those that enure to the benefit of the racing association, are trust funds and shall not be used by the racing association for any purpose other than for payment to those distributees as directed by the Horse Racing Law.

By imposing new requirements on licensees under the Horse Racing Law, the violation of which would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19597.5 is added to the Business and
- 2 Professions Code, to read:
- 3 19597.5. A person licensed under this chapter to conduct a
- 4 horse racing meeting shall hold in trust the distributions required
- 5 to be made pursuant to this chapter until the funds are paid to the
- 6 various distributees. These required deductions, except for those
- 7 that enure to the benefit of the racing association, are trust funds
- 8 and shall not be used by the racing association for any purpose
- 9 other than for payment to those distributees as directed by this
- 10 chapter.
- 11 SEC. 2. No reimbursement is required by this act pursuant to
- 12 Section 6 of Article XIII B of the California Constitution because
- 13 the only costs that may be incurred by a local agency or school
- 14 district will be incurred because this act creates a new crime or
- 15 infraction, eliminates a crime or infraction, or changes the penalty
- 16 for a crime or infraction, within the meaning of Section 17556 of
- 17 the Government Code, or changes the definition of a crime within
- 18 the meaning of Section 6 of Article XIII B of the California
- 19 Constitution.